

SA 3004. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3005. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3006. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3007. Mr. CAMPBELL (for himself, Mr. BROWNBACK, Mr. GRAMM, Mr. ENZI, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3008. Mr. DAYTON (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra; which was ordered to lie on the table.

SA 3009. Mr. DOMENICI proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3010. Mr. BINGAMAN (for Ms. LANDRIEU) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3011. Mr. BINGAMAN (for Ms. LANDRIEU (for himself and Mr. DOMENICI)) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

TEXT OF AMENDMENTS

SA 2998. Mr. MILLER (for himself, Mr. GRAMM, Mr. HUTCHINSON, Mr. INHOFE, Mr. HELMS, and Mr. ALLEN) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 177, before line 1, insert the following:

SEC. 811. AVERAGE FUEL ECONOMY STANDARDS FOR PICKUP TRUCKS.

(a) IN GENERAL.—Section 32902(a) of title 49, United States Code, is amended—

(1) by inserting “(1)” after the after “AUTOMOBILES.—”; and

(2) by adding at the end the following new paragraph:

“(2) The average fuel economy standard for pickup trucks manufactured by a manufacturer in a model year after model year 2004 shall be no higher than 20.7 miles per gallon. No average fuel economy standard prescribed under another provision of this section shall apply to pickup trucks.”.

(b) DEFINITION OF PICKUP TRUCK.—Section 32901(a) of such title is amended by adding at the end the following new paragraph:

“(17) ‘pickup truck’ has the meaning given that term in regulations prescribed by the Secretary for the administration of this chapter, as in effect on January 1, 2002, except that such term shall also include any additional vehicle that the Secretary defines as a pickup truck in regulations prescribed for the administration of this chapter after such date.”.

SA 2999. Mr. KERRY (for himself, Mr. MCCAIN, Ms. SNOWE, Mr. SMITH of Or-

egon, Ms. COLLINS, and Mr. CHAFEE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike subtitle A of title VIII and insert the following:

Subtitle A—CAFE Standards and Related Matters

PART I—CORPORATE AVERAGE FUEL ECONOMY STANDARDS

SEC. 801. AVERAGE FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) INCREASED STANDARDS.—Section 32902 of title 49, United States Code, is amended—

(1) by striking “NON-PASSENGER AUTOMOBILES.—” in subsection (a) and inserting “PRESCRIPTION OF STANDARDS BY REGULATION.—”; and

(2) by striking “(except passenger automobiles)” in subsection (a) and inserting “(except passenger automobiles and light trucks)”;

(3) by striking subsection (b) and inserting the following:

“(b) STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

“(1) IN GENERAL.—The Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, shall prescribe average fuel economy standards for passenger automobiles and light trucks manufactured by a manufacturer in each model year beginning with model year 2007 in order to achieve a combined average fuel economy standard for passenger automobiles and light trucks for model year 2015 of at least 36 miles per gallon.

“(2) INTERMEDIATE FUEL ECONOMY STANDARDS.—Consistent with the requirements of paragraph (1), the Secretary of Transportation shall, in determining the pacing of fuel economy standards described in paragraph (1), set intermediate standards in a manner that—

“(A) encourages introduction and use of advanced technology vehicles, such as hybrid and fuel cell vehicles, to achieve reductions in fuel consumption;

“(B) takes into account the effects of increased fuel economy on air quality;

“(C) takes into account the effects of compliance with average fuel economy standards on levels of employment in the United States; and

“(D) takes into account cost and lead time necessary for the introduction of the necessary new technologies.

“(3) DEADLINE FOR REGULATIONS.—The Secretary shall promulgate the regulations required by paragraph (1) in final form no later than 24 months after the date of enactment of the Energy Policy Act of 2002.

“(4) DEFAULT STANDARD.—If the regulations required by paragraph (1) are not promulgated in final form within the period required by paragraph (3), then the combined average fuel economy standard for passenger automobiles and light trucks beginning with model year 2011 is 30 miles per gallon. This paragraph does not supersede the standard required by paragraph (1) for model year 2015.”;

(4) by striking “the standard” in subsection (c)(1) and inserting “a standard”;

(5) by striking the first and last sentences of subsection (c)(2); and

(6) by striking “(and submit the amendment to Congress when required under sub-

section (c)(2) of this section)” in subsection (g).

(b) DEFINITION OF LIGHT TRUCKS.—

(1) IN GENERAL.—Section 32901(a) of title 49, United States Code, is amended by adding at the end the following:

“(17) ‘light truck’ means a vehicle, as determined by the Secretary by regulation, that—

“(A) is manufactured primarily for transporting not more than 10 individuals;

“(B) is rated at not more than 10,000 pounds gross vehicle weight;

“(C) is not a passenger automobile; and

“(D) is not described in paragraph (1) or (4) of the definition of the term ‘medium-duty passenger vehicle’ in section 86.1803-01 of title 40, Code of Federal Regulations.”.

(2) DEADLINE FOR REGULATIONS.—The Secretary of Transportation—

(A) shall issue proposed regulations implementing the amendment made by paragraph (1) not later than 1 year after the date of the enactment of this Act; and

(B) shall issue final regulations implementing the amendment not later than 18 months after the date of the enactment of this Act.

(3) EFFECTIVE DATE.—Regulations prescribed under paragraph (1) shall apply beginning with model year 2007.

(c) APPLICABILITY OF EXISTING STANDARDS.—This section does not affect the application of section 32902 of title 49, United States Code, to passenger automobiles or non-passenger automobiles manufactured before model year 2007.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation to carry out the provisions of chapter 329 of title 49, United States Code, \$25,000,000 for each of fiscal years 2003 through 2015.

SEC. 802. FUEL ECONOMY STANDARD CREDITS.

(a) IN GENERAL.—Section 32903 of title 49, United States Code, is amended by striking the second sentence of subsection (a) and inserting “The credits—

“(1) may be applied to any of the 3 model years immediately following the model year for which the credits are earned; or

“(2) transferred to the registry established under section 821(a) of the Energy Policy Act of 2002.”.

(b) GREENHOUSE GAS CREDITS APPLIED TO CAFE STANDARDS.—Section 32903 of title 49, United States Code, is amended by adding at the end the following:

“(g) GREENHOUSE GAS CREDITS.

“(1) IN GENERAL.—A manufacturer may apply credits purchased through the registry established by section 821(a) of the Energy Policy Act of 2002 toward any model year after model year 2006 under subsection (d), subsection (e), or both.

“(2) LIMITATION.—A manufacturer may not use credits purchased through the registry to offset more than the following percentages of the fuel economy standard applicable to any model year:

“(A) 2 percent for model year 2007.

“(B) 4 percent for model year 2008.

“(C) 6 percent for model year 2009.

“(D) 8 percent for model year 2010.

“(E) 10 percent for model year 2011 and thereafter.”.

(c) NO CARRYBACK OF CREDITS.—Section 32903(a) of title 49, United States Code, is amended—

(1) by striking “applied to—” and inserting “applied—”; and

(2) by inserting “for model years before model year 2007, to” in paragraph (1) before “any”;

(3) by striking “and” after the semicolon in paragraph (1);

(4) by striking “earned.” in paragraph (2) and inserting “earned; and”; and

(5) by adding at the end the following:

“(3) for model years after 2006, in accordance with the vehicle credit trading system established under subsection (g), to any of the 3 consecutive model years immediately after the model year for which the credit was earned.”.

SEC. 803. STUDY OF TIER 2 STANDARDS.

(a) **STUDY.**—Not later than 6 months after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Energy and the Secretary of Transportation, commence a study to analyze the regulations regarding motor vehicle emission standards and gasoline sulfur control requirements promulgated on May 13, 1999, (40 CFR Parts 80, 85, and 86) to determine whether those regulations allow optimization of motor vehicle fuel efficiency and promote greenhouse gas emission reductions in the new vehicle fleet. The study shall include an examination of the extent to which the bin structure created by those regulations may deter manufacturers from developing and producing covered vehicles, including those using compression ignition engines, that are more fuel efficient and will promote greater greenhouse gas emission reductions than vehicles that would otherwise be produced. In addition, the study shall include an examination of the extent to which biofuels can contribute to meeting vehicle emission standards for covered vehicles.

(b) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit the report on the results of the study to the Committee on Commerce, Science, and Technology, and the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives. The report shall contain recommendations for any legislative or regulatory action the Administrator proposes if the Administrator determines such act would encourage improvements in vehicle fuel efficiency, reduce greenhouse gas emissions from the new vehicle fleet, and maintain or improve the new vehicle fleet's emissions reductions projected to occur from implementation of the regulations referred to in subsection (a).

SEC. 804. ELIMINATION OF 2-FLEET RULE.

(a) **IN GENERAL.**—Section 32904 of title 49, United States Code, is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to model years 2007 and later.

SEC. 805. ELIMINATION OF DUAL FUEL CREDIT.

Section 32905 of title 49, United States Code, is repealed.

SEC. 806. ENSURING SAFETY OF PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) **IN GENERAL.**—The Secretary of Transportation shall exercise such authority under Federal law as the Secretary may have to ensure that—

(1) passenger automobiles and light trucks (as those terms are defined in section 32901 of title 49, United States Code) are safe;

(2) progress is made in improving the overall safety of passenger automobiles and light trucks; and

(3) progress is made in maximizing United States employment.

(b) **IMPROVED CRASHWORTHINESS.**—Subchapter II of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

“§ 30128. Improved crashworthiness

“(a) **ROLLOVERS.**—Within 3 years after the date of enactment of the Energy Policy Act

of 2002, the Secretary of Transportation, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter for rollover crashworthiness standards that includes—

“(1) dynamic roof crush standards;

“(2) improved seat structure and safety belt design;

“(3) side impact head protection airbags; and

“(4) roof injury protection measures.

“(b) **HEAVY VEHICLE HARM REDUCTION COMPATIBILITY STANDARD.**

“(1) **INITIAL STANDARD.**—Within 3 years after the date of enactment of the Energy Policy Act of 2002, the Secretary, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter that will reduce the aggressivity of light trucks by 33 percent, using a baseline model year of 2002 and will improve vehicle compatibility in collisions between light trucks and cars, in order to protect against unnecessary death and injury.”.

“(2) **5-YEAR REVIEW.**—The section should review the effectiveness of this standard every 5 years following final issuance of the standard and shall issue, through the National Highway Traffic Safety Administration, upgrades to the standard to reduce fatalities and injuries related to vehicle compatibility and light truck aggressivity.”.

“(c) **CONFORMING AMENDMENT.**—The chapter analysis for chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30217 the following:

“30128. Improved crashworthiness”.

SEC. 807. SAFETY RATING LABELS.

Section 32302 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) of subsection (a) as paragraphs (4) and (5), respectively;

(2) by inserting after paragraph (2) of subsection (a) the following:

“(3) overall safety of the driver and passengers of the vehicle in a collision.”; and

(3) by striking subsection (b) and inserting the following:

“(b) **MOTOR VEHICLE SAFETY INFORMATION.**

“(1) **IN GENERAL.**—In carrying out subsection (a), the Secretary shall establish test criteria for use by manufacturers in determining crashworthiness and the overall safety of vehicles for drivers and passengers.

“(2) **PRESENTATION OF DATA.**—The Secretary shall prescribe a system for presenting information developed under paragraphs (1) through (3) of subsection (a) to the public in a simple and understandable form that facilitates comparison among the makes and models of passenger motor vehicles.

“(3) **LABEL REQUIREMENT.**—Each manufacturer of a new passenger motor vehicle (as defined in section 32304(a)(8)) manufactured after September 30, 2005, and distributed in commerce for sale in the United States shall cause the information required by paragraph (2) to appear on, or adjacent to, the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232(b)).”.

SEC. 808. FUEL ECONOMY TRUTH-IN-TESTING STUDY.

(a) **IN GENERAL.**—The Administrator of the Environmental Protection Agency shall conduct—

(1) an ongoing examination of the accuracy of fuel economy testing of passenger automobiles and light trucks in accordance with procedures in effect as of the date of enactment of this Act, as compared to the actual performance of such passenger automobiles and light trucks when driven by average

drivers under average driving conditions in the United States, which may be obtained through a survey of current vehicle owners; and

(2) an assessment of the extent to which fuel economy deteriorates during the life of such passenger automobiles and light trucks.

(b) **REPORT.**—The Administrator shall, within 12 months after the date of enactment of this Act and annually thereafter, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Commerce and Energy of the House of Representatives a report on the results of the study required by subsection (a) of this section. The report shall include—

(1) a comparison between—

(A) fuel economy measured, for each model in the applicable model year, through testing procedures in effect as of the date of enactment of this Act; and

(B) fuel economy of such passenger automobiles and light trucks during actual on-road performance, as determined under subsection (a);

(2) a statement of the percentage difference, if any, between actual on-road fuel economy and fuel economy measured by test procedures of the Environmental Protection Administration; and

(3) any recommendations for legislative or other action.

SEC. 809. FUEL ECONOMY LABELS.

Section 32908 of title 49, United States Code, is amended—

(1) by striking “title.” in subsection (a)(1) and inserting “title, and a light truck (as defined in section 32901(17) after model year 2007; and”;

(2) by redesignating subparagraph (F) of subsection (b)(1) as subparagraph (II), and inserting after subparagraph (E) the following:

“(F) a label (or a logo imprinted on a label required by this paragraph) that—

“(i) reflects an automobile's performance on the basis of criteria developed by the Administrator to reflect the fuel economy and greenhouse gas and other emissions consequences of operating the automobile over its likely useful life;

“(ii) is easily understandable and permits consumers to compare performance results under clause (i) among all passenger automobiles and light duty trucks (as defined in section 32901), and in the vehicles in the vehicle class to which it belongs; and

“(iii) is designed to encourage the manufacture and sale of passenger automobiles and light trucks that meet or exceed applicable fuel economy standards under section 32902.

“(G) a fuelstar under paragraph (5).”; and

“(3) by adding at the end of subsection (b) the following:

“(4) **LABEL PROGRAM.**

“(A) **MARKETING ANALYSIS.**—Within 2 years after the date of enactment of the Energy Policy Act of 2002, the Administrator shall complete a study of social marketing strategies with the goal of maximizing consumer understanding of point-of-sale labels or logos described in paragraph (1)(F).

“(B) **CRITERIA.**—In developing criteria for the label or logo, the Administrator shall also consider, among others as appropriate, the following factors:

“(i) The recyclability of the automobile.

“(ii) Any other pollutants or harmful by-products related to the automobile, which may include those generated during manufacture of the automobile, those issued during use of the automobile, or those generated after the automobile ceases to be operated.

“(5) **FUELSTAR PROGRAM.**

“The Secretary, in consultation with the Administrator, shall establish a program, to be known as the ‘fuelstar’ program, under which stars shall be imprinted on or attached to the label required by paragraph (1)

that will, consistent with the findings of the marketing analysis required under paragraph (4)(A), provide consumer incentives to purchase vehicles that exceed the applicable fuel economy standard.

SEC. 810. SECRETARY OF TRANSPORTATION TO CERTIFY BENEFITS.

Beginning with model year 2007, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall determine and certify annually to the Congress—

(1) the annual reduction in United States consumption of petroleum used for vehicle fuel, and

(2) the annual reduction in greenhouse gas emissions,

properly attributable to the implementation of the average fuel economy standards imposed under section 32902 of title 49, United States Code, as a result of the amendments made by this Act.

SEC. 811. DEPARTMENT OF TRANSPORTATION ENGINEERING AWARD PROGRAM.

(a) **ENGINEERING TEAM AWARDS.**—The Secretary of Transportation shall establish an engineering award program to recognize the engineering team of any manufacturer of passenger automobiles or light trucks (as such terms are defined in section 32901 of title 49, United States Code) whose work directly results in production models of—

(1) the first large sport utility vehicle, van, or light truck to achieve a fuel economy rating of 30 miles per gallon under section 32902 of such title; and

(2) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 35 miles per gallon under section 32902 of such title.

(b) **REQUIREMENTS FOR PARTICIPATION IN ENGINEERING TEAM AWARDS PROGRAM.**—In establishing the engineering team awards program under subsection (a), the Secretary shall establish eligibility requirements that include—

(1) a requirement that the vehicle, van, or truck be domestically-manufactured or manufacturable (if a prototype) within the meaning of section 32903 of title 49, United States Code;

(2) a requirement that the vehicle, van, or truck meet all applicable Federal standards for emissions and safety (except that crash testing shall not be required for a prototype); and

(3) such additional requirements as the Secretary may require in order to carry out the program.

(c) **AMOUNT OF PRIZE.**—The Secretary shall award a prize of not less than \$30,000 to each engineering team determined by the Secretary to have successfully met the requirements of paragraph (1) or (2) of subsection (a). The Secretary shall provide for recognition of any manufacturer to have not the requirements of subsection (b) with appropriate ceremonies and activities, and may provide a monetary award in an amount determined by the Secretary to be appropriate.

(d) **MANUFACTURER'S AWARD.**—The Secretary of Transportation shall also establish an Old Independence Award to recognize the first manufacturer of domestically-manufactured (within the meaning of section 32903 of title 49, United States Code) passenger automobiles and light trucks to achieve a combined fuel economy rating of 36 miles per gallon under section 32902 of such title.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out this section.

SEC. 812. HIGH OCCUPANCY VEHICLE EXCEPTION.

(a) **IN GENERAL.**—Notwithstanding section 102(a)(1) of title 23, United States Code, a

State may, for the purpose of promoting energy conservation, permit a vehicle with fewer than the otherwise required number of occupants to operate in high occupancy vehicle lanes if it is a hybrid vehicle or is certified by the Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, to be a vehicle that runs only on an alternative fuel.

(b) **HYBRID VEHICLE DEFINED.**—In this section, the term “hybrid vehicle” means a motor vehicle—

(1) which—

(A) draws propulsion energy from onboard sources of stored energy which are both—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system; or

(B) recovers kinetic energy through regenerative braking and provides at least 13 percent maximum power from the electrical storage device;

(2) which, in the case of a passenger automobile or light truck—

(A) for 2002 and later model vehicles, has received a certificate of conformity under section 206 of the Clean Air Act (42 U.S.C. 7525) and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act (42 U.S.C. 7583(c)(2)) for that make and model year; and

(B) for 2004 and later model vehicles, has received a certificate that such vehicle meets the Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)) for that make and model year vehicle; and (3) which is made by a manufacturer.

(c) **ALTERNATIVE FUEL DEFINED.**—In this section the term “alternative fuel” has the meaning such term has under section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2)).

SEC. 813. ALTERNATIVE FUEL ECONOMY STANDARD FOR LOW VOLUME MANUFACTURERS AND NEW ENTRANTS.

Section 32902(d) of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(2) by striking so much thereof as precedes paragraph (4), as redesignated, and inserting the following:

“(d) **ALTERNATIVE AVERAGE FUEL ECONOMY STANDARD.**—

“(1) **IN GENERAL.**—Upon application by an eligible manufacturer, the Secretary of Transportation may prescribe an alternative average fuel economy standard for passenger automobiles and light trucks manufactured by that manufacturer if the Secretary finds that—

“(A) the applicable standard prescribed under subsection (a), (b), or (c) of this section is more stringent than the maximum feasible average fuel economy level the manufacturer can achieve; and

“(B) the alternative average fuel economy standard prescribed under this subsection is the maximum feasible average fuel economy level that manufacturer can achieve.

“(2) **APPLICATION OF ALTERNATIVE STANDARD.**—The Secretary may provide for the application of an alternative average fuel economy standard prescribed under paragraph (1) to—

“(A) the manufacturer that applied for the alternative average fuel economy standard;

“(B) all passenger automobiles to which this subsection applies; or

“(C) classes of passenger automobiles or light trucks manufactured by eligible manufacturers.

“(3) **ELIGIBLE MANUFACTURER.**—In this section the term ‘eligible manufacturer’ means a passenger automobile or light truck manufacturer that—

“(A) sold in the United States fewer than 0.5 percent of the combined number of passenger automobiles and light trucks sold in the United States in the model year 2 years before the model year to which the application relates; and

“(B) will sell in the United States fewer than 0.5 percent of the combined number of passenger automobiles and light trucks sold in the United States for the model year for which the alternative average fuel economy standard will apply.”;

(3) by inserting “IMPORTERS.—” before “Notwithstanding” in paragraph (4), as redesignated;

(4) by striking “be exempted” in paragraph (4), as redesignated, and inserting “not apply for an alternative average fuel economy standard”;

(5) by inserting “APPLICATION.—” in paragraph (5), as redesignated, before “The”; and

(6) by striking “exemption.” in paragraph (5), as redesignated, and inserting “alternative average fuel economy standard.”.

PART II—MARKET-BASED INITIATIVES FOR GREENHOUSE GAS REDUCTION

SEC. 821. MARKET-BASED INITIATIVES.

(a) **ESTABLISHMENT OF REGISTRY FOR VOLUNTARY TRADING SYSTEMS.**—The Secretary of Commerce, through the Undersecretary for Technology, shall establish a national registry system for greenhouse gas emission reduction trading among entities under which emission reductions from the applicable baseline are assigned unique identifying numerical codes by the registry. Participation in the registry is voluntary. Any entity conducting business in the United States may register its emission results, including emissions generated outside of the United States, on an entity-wide basis with the registry, and may utilize the services of the registry.

(b) **PURPOSES.**—The purposes of the national registry are—

(1) to encourage voluntary actions to reduce greenhouse gas emissions and increase energy efficiency, including increasing the fuel economy of passenger automobiles and light trucks and reducing the reliance by United States markets on petroleum produced outside the United States used to provide vehicular fuel;

(2) to enable participating entities to record voluntary greenhouse gas emissions reductions; in a consistent format that is supported by third party verification;

(3) to encourage participants involved in existing partnerships to be able to trade emissions reductions among partnerships;

(4) to further recognize, publicize, and promote registrants making voluntary and mandatory reductions;

(5) to recruit more participants in the program; and

(6) to help various entities in the nation establish emissions baselines.

(c) **FUNCTIONS.**—The national registry shall carry out the following functions:

(1) **REFERRALS.**—Provide referrals to approved providers for advice on—

(A) designing programs to establish emissions baselines and to monitor and track greenhouse gas emissions; and

(B) establishing emissions reduction goals based on international best practices for specific industries and economic sectors.

(2) **UNIFORM REPORTING FORMAT.**—Adopt a uniform format for reporting emissions baselines and reductions established through—

(A) the Director of the National Institute of Standards and Technology for greenhouse gas baselines and reductions generally; and

(B) the Secretary of Transportation for credits under section 32903 of title 49, United States Code.

(3) **RECORD MAINTENANCE.**—Maintain a record of all emission baselines and reductions verified by qualified independent auditors.

(4) **ENCOURAGE PARTICIPATION.**—Encourage organizations from various sectors to monitor emissions, establish baselines and reduction targets, and implement efficiency improvement and renewable energy programs to achieve those targets.

(5) **PUBLIC AWARENESS.**—Recognize, publicize, and promote participants that—

(A) commit to monitor their emissions and set reduction targets;

(B) establish emission baselines; and

(C) report on the amount of progress made on their annual emissions.

(d) **TRANSFER OF REDUCTIONS.**—The registry shall—

(1) allow for the transfer of ownership of any reductions realized in accordance with the program; and

(2) require that the registry be notified of any such transfer within 30 days after the transfer is effected.

(e) **FUTURE CONSIDERATIONS.**—Any reductions achieved under this program shall be credited against any future mandatory greenhouse gas reductions required by the government. Final approval of the amount and value of credits shall be determined by the agency responsible for the implementation of the mandatory greenhouse gas emission reduction program, except that credits under section 32903 of title 49, United States Code, shall be determined by the Secretary of Transportation. The Secretary of Commerce shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination made by that agency.

(f) **CAFE STANDARDS CREDITS.**—The Secretary of Transportation shall work with the Secretary of Commerce and the implementing panel established by section 822 to determine the equivalency of credits earned under section 32903 of title 49, United States Code, for inclusion in the registry. The Secretary shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination.

SEC. 822. IMPLEMENTING PANEL.

(a) **ESTABLISHMENT.**—There is established within the Department of Commerce an implementing panel.

(b) **COMPOSITION.**—The panel shall consist of—

(1) the Secretary of Commerce or the Secretary's designee, who shall serve as Chairperson;

(2) the Secretary of Transportation or the Secretary's designee; and

(3) 1 expert in the field of greenhouse gas emissions reduction, certification, or trading from each of the following agencies—

(A) the Department of Energy;

(B) the Environmental Protection Agency;

(C) the Department of Agriculture;

(D) the National Aeronautics and Space Administration;

(E) the Department of Commerce; and

(F) the Department of Transportation.

(c) **EXPERTS AND CONSULTANTS.**—Any member of the panel may secure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, for greenhouse gas reduction, certification, and trading experts in the private and nonprofit sectors and may also utilize any grant, contract, cooperative agreement, or other arrangement authorized by law to carry out its activities under this subsection.

(d) **DUTIES.**—The panel shall—

(1) implement and oversee the implementation of this section;

(2) promulgate—

(A) standards for certification of registries and operation of certified registries; and

(B) standards for measurement, verification, and recording of greenhouse gas emissions and greenhouse gas emission reductions by certified registries;

(3) maintain, and make available to the public, a list of certified registries; and

(4) issue rulemakings on standards for measuring, verifying, and recording greenhouse gas emissions and greenhouse gas emission reductions proposed to the panel by certified registries, through a standard process of issuing a proposed rule, taking public comment for no less than 30 days, then finalizing regulations to implement this Act, which will provide for recognizing new forms of acceptable greenhouse gas reduction certification procedures.

(e) **CERTIFICATION AND OPERATION STANDARDS.**—The standards promulgated by the panel shall include—

(1) standards for ensuring the certified registries do not have any conflicts of interest, including standards that prohibit a certified registry from—

(A) owning greenhouse gas emission reductions recorded in any certified registry; or

(B) receiving compensation in the form of a commission where sources receive money for the total number of tons certified;

(2) standards for authorizing certified registries to enter into agreements with for-profit persons engaged in trading of greenhouse gas emission reductions, subject of paragraph (1); and

(3) such other standards for certification of registries and operation of certified registries as the panel determines to be appropriate.

(f) **MEASUREMENT, VERIFICATION, AND RECORDING STANDARDS.**—The standards promulgated by the panel shall provide for, in the case of certified registries—

(1) ensuring that certified registries accurately measure, verify, and record greenhouse gas emissions and greenhouse gas emission reductions, taking into account—

(A) boundary issues such as leakage and shifted utilization; and

(B) such other factors as the panel determines to be appropriate;

(2) ensuring that—

(A) certified registries do not double-count greenhouse gas emission reductions; and

(B) if greenhouse gas emission reductions are recorded in more than 1 certified registry, such double-recording is clearly indicated;

(3) determining the ownership of greenhouse gas emission reductions and recording and tracking the transfer of greenhouse gas emission reductions among entities (such as through assignment of serial numbers to greenhouse gas emission reductions);

(4) measuring the results of the use of carbon sequestration and carbon recapture technologies;

(5) measuring greenhouse gas emission reductions resulting from improvements in—

(A) power plants;

(B) automobiles (including types of passenger automobiles and light trucks, as defined in section 32901(a)(16) and (17) respectively, produced in the same model year);

(C) carbon re-capture, storage and sequestration, including organic sequestration and manufactured emissions injection, and or storage; and

(D) other sources;

(6) measuring prevented greenhouse gas emissions through the rulemaking process and based on the latest scientific data, sampling, expert analysis related to measurement and projections for prevented greenhouse gas emissions in tons including—

(A) organic soil carbon sequestration practices;

(B) forest preservation and re-forestation activities which adequately address the issues of permanence, leakage and verification; and

(7) such other measurement, verification, and recording standards as the panel determines to be appropriate.

(g) **CERTIFICATION OF REGISTRIES.**—Except as provided in subsection (h), a registrant that desires to be a certified registry shall submit to the panel an application that—

(1) demonstrates that the registrant meets each of the certification standards established by the panel under subsections (d) and (e); and

(2) meets such other requirements as the panel may establish.

(h) **AUTOMOBILE INDUSTRY.**—The Secretary of Transportation is deemed to be the certified registrant for credits earned under section 32903 of title 49, United States Code.

(i) **ANNUAL REPORT.**—Within 1 year after the date of enactment of this Act and biennially thereafter, the panel shall report to the Congress on the status of the program established under this section. The report shall include an assessment of the level of participation in the program and amount of progress being made on emission reduction targets.

SEC. 823. DEFINITIONS.

In this part:

(1) **GREENHOUSE GAS.**—The term “greenhouse gas” includes—

(A) carbon dioxide;

(B) methane;

(C) hydro fluorocarbons;

(D) perfluorocarbons;

(E) nitrous oxide; and

(F) sulfur hexafluoride.

(2) **BASELINE.**—The term “baseline” means—

(A) the greenhouse gas emissions, determined on an entity-wide basis for the participant's most recent previous 3-year annual average of greenhouse gas emissions prior to the date of enactment of this Act; or

(B) if data is unavailable for that 3-year period, the greenhouse gas emissions as of September 30, 2002, (or as close to that date as such emission levels can reasonably be determined). In promulgating regulations under this part, the panel shall take into account greenhouse gas emission reductions or offsetting actions taken by any entity before the date on which the registry is established.

(3) **CERTIFIED REGISTRY.**—The term “certified registry” means a registry that has been certified by the panel as meeting the standards promulgated under section 821(e) and (f) and, for the automobile industry, the Secretary of Transportation.

(4) **GREENHOUSE GAS EMISSIONS.**—The term “greenhouse gas emissions” means the quantity of greenhouse gases emitted by a source during a period, measured in tons of greenhouse gases.

(5) **GREENHOUSE GAS EMISSION REDUCTION.**—The term “greenhouse gas emission reduction” means a quantity equal to the difference between—

(A) the greenhouse gas emissions of a source during a period; and

(B) the greenhouse gas emissions of the source during a baseline period of the same duration as determined by registries and entities defined as owners of emission sources.

(6) **KYOTO PROTOCOL.**—The term “Kyoto protocol” means the Kyoto Protocol to the United Nations Framework Convention on Climate Change (including the Montreal Protocol to the Convention on Substances that Deplete the Ozone Layer).

(7) **PANEL.**—The term “panel” means the implementing panel established by section 822(a).

(8) **REGISTRANT.**—The term “registrant” means a private person that operates a database recording quantified and verified greenhouse gas emissions and emissions reductions of sources owned by other entities.

(9) SOURCE.—The term “source” means a source of greenhouse gas emissions.

SA 3000. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 14, strike line 3 and all that follows through page 21, line 15, and insert the following:

SEC. 202. ELECTRIC UTILITY MERGERS.

Section 203(a) of the Federal Power Act (16 U.S.C. 824b) is amended to read as follows:

“(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—

“(A) sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of \$10,000,000,

“(B) merge or consolidate, directly or indirectly, such facilities or any part thereof with the facilities of any other person, by any means whatsoever,

“(C) purchase, acquire, or take any security of any other public utility, or

“(D) purchase, lease, or otherwise acquire existing facilities for the generation of electric energy unless such facilities will be used exclusively for the sale of electric energy at retail.

“(2) No holding company in a holding company system that includes a transmitting utility or an electric utility company shall purchase, acquire, or take any security of, or, by any means whatsoever, directly or indirectly, merge or consolidate with a transmitting utility, an electric utility company, a gas utility company, or a holding company in a holding company system that includes a transmitting utility, an electric utility company, or a gas utility company, without first having secured an order of the Commission authorizing it to do so.

“(3) Upon application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

“(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or control, if it finds that the proposed transaction—

“(A) will be consistent with the public interest;

“(B) will not adversely affect the interests of consumers of electric energy of any public utility that is a party to the transaction or is an associate company of any part to the transaction;

“(C) will not impair the ability of the Commission or any State commission having jurisdiction over any public utility that is a party to the transaction or an associate company of any party to the transaction to protect the interests of consumers or the public; and

“(D) will not lead to cross-subsidization of associate companies or encumber any utility assets for the benefit of an associate company.

“(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions under this section. Such rules shall identify classes

of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4), and shall require the Commission to grant or deny an application for approval of a transaction of such type within 90 days after the conclusion of the hearing or opportunity to comment under paragraph (4). If the Commission does not act within 90 days, such application shall be deemed granted unless the Commission finds that further consideration is required to determine whether the proposed transaction meets the standards of paragraph (4) and issues one or more orders tolling the time for acting on the application for an additional 90 days.

“(6) For purposes of this subsection, the terms ‘associate company’, ‘electric utility company’, ‘gas utility company’, ‘holding company’, and ‘holding company system’ have the meaning given those terms in the Public Utility Holding Company Act of 2002.”.

SEC. 203. MARKET-BASED RATES.

(a) APPROVAL OF MARKET-BASED RATES.—Section 205 of the Federal Power Act (16 U.S.C. 824d) is amended by adding at the end of the following:

“(h) The Commission may determine whether a market-based rate for the sale of electric energy subject to the jurisdiction of the Commission is just and reasonable and not unduly discriminatory or preferential. In making such determination, the Commission shall consider such factors as the Commission may deem to be appropriate and in the public interest, including to the extent the Commission considers relevant to the wholesale power market—

“(1) market power;

“(2) the nature of the market and its response mechanisms; and

“(3) reserve margins.”.

(b) REVOCATION OF MARKET-BASED RATES.—Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end of the following:

“(f) Whenever the Commission, after a hearing had upon its own motion or upon complaint, finds that a rate charged by a public utility authorized to charge a market-based rate under section 205 is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate and fix the same by order.”.

SEC. 204. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by—

(1) striking “the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period” in the second sentence and inserting “the date of the filing of such complaint nor later than 5 months after the filing of such complaint”;

(2) striking “60 days after” in the third sentence and inserting “of”; and

(3) striking “expiration of such 60-day period” in the third sentence and inserting “publication date”.

SEC. 205. OPEN ACCESS TRANSMISSION BY CERTAIN UTILITIES.

Part II of the Federal Power Act is further amended by inserting after section 211 the following:

“OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

“SEC. 211A. (1) Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

“(A) at rates that are comparable to those that the unregulated transmitting utility charges itself, and

“(B) on terms and conditions (not relating to rates) that are comparable to those under

Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

“(2) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—

“(A) sells no more than 4,000,000 megawatt hours of electricity per year;

“(B) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof), or

“(C) meets other criteria the Commission determines to be in the public interest.

“(3) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

“(4) In exercising its authority under paragraph (1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of paragraph (1).

“(5) The provision of transmission services under paragraph (1) does not preclude a request for transmission services under section 211.

“(6) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

“(7) For purposes of this subsection, the term ‘unregulated transmitting utility’ means an entity that—

“(A) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

“(B) is either an entity described in section 201(f) or a rural electric cooperative.”.

SEC. 206. ELECTRIC RELIABILITY STANDARDS.

SA 3001. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 24, strike line 1 and all that follows through page 27, line 20 and insert the following:

SEC. 207. MARKET TRANSPARENCY RULES.

Part II of the Federal Power Act is further amended by adding at the end of the following:

“SEC. 216. MARKET TRANSPARENCY RULES.

“(a) COMMISSION RULES.—Not later than 180 days after the date of enactment of this section, the Commission shall issue rules establishing an electronic information system to provide information about the availability and price of wholesale electric energy and transmission services to the Commission, state commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public on a timely basis.

“(b) INFORMATION REQUIRED.—The Commission shall require—

“(1) each regional transmission organization to provide statistical information about the available capacity and capacity of transmission facilities operated by the organization; and

“(2) each broker, exchange, or other market-making entity that matches offers to sell and offers to buy wholesale electric energy in interstate commerce to provide statistical information about the amount and

sale price of sales of electric energy at wholesale in interstate commerce it transacts.

“(c) **TIMELY BASIS.**—The Commission shall require the information required under subsection (b) to be posted on the Internet as soon as practicable and updated as frequently as practicable.

“(d) **PROTECTION OF SENSITIVE INFORMATION.**—The Commission shall exempt from disclosure commercial or financial information that the Commission, by rule or order, determines to be privileged, confidential, or otherwise sensitive.”.

SEC. 208. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

Part II of the Federal Power Act is further amended by adding at the end the following:

“SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

“(a) **FAIR TREATMENT OF INTERMITTENT GENERATORS.**—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not unduly prejudice or disadvantage such generators for characteristics that are—

“(1) inherent to intermittent energy resources; and

“(2) are beyond the control of such generators.

“(b) **POLICIES.**—The Commission shall ensure that the requirement in subsection (a) is met by adopting such policies as it deems appropriate which shall include the following:

“(1) Subject to the sole exception set forth in paragraph (2), the Commission shall ensure that the rates transmitting utilities charge intermittent generator customers for transmission services do not unduly prejudice or disadvantage intermittent generator customers for scheduling deviations.

“(2) The Commission may exempt a transmitting utility from the requirement set forth in paragraph (1) if the transmitting utility demonstrates that scheduling deviations by its intermittent generator customers are likely to have an adverse impact on the reliability of the transmitting utility’s system.

“(3) The Commission shall ensure that to the extent any transmission charges recovering the transmitting utility’s embedded costs are assessed to such intermittent generators, they are assessed to such generators on the basis of kilowatt-hours generated or some other method to ensure that they are fully recovered by the transmitting utility.

“(4) The Commission shall require transmitting utilities to offer to intermittent generators, and may require transmitting utilities to offer to all transmission customers, access to nonfirm transmission service.

“(c) **DEFINITIONS.**—As used in this section:

“(1) The term ‘intermittent generator’ means a facility that generates electricity using wind or solar energy and no other energy source.

“(2) The term ‘nonfirm transmission service’ means transmission service provided on an ‘as available’ basis.

“(3) The term ‘scheduling deviation’ means delivery of more or less energy than has previously been forecast in a schedule submitted by an intermittent generator to a control area operator or transmitting utility.”.

SEC. 209. ENFORCEMENT.

SA 3002. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill

(S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 44, strike line 3 and all that follows through page 45, line 12 and insert the following:

SEC. 241. REAL-TIME PRICING AND TIME-OF-USE METERING STANDARDS.

(a) **ADOPTION OF STANDARDS.**—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

“(11) **REAL-TIME PRICING.**—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a real-time schedule, under which the rate charged by the electric utility varies by the hour (or smaller time interval) according to changes in the electric utility’s wholesale power cost. The real-time pricing service shall enable the electric consumer to manage energy use and cost through real-time metering and communications technology.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

“(12) **TIME-OF-USE METERING.**—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a time-of-use rate schedule which enables the electric consumer to manage every use and cost through time-of-use metering and technology.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.”.

(b) **SPECIAL RULES.**—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended by adding at the end the following:

“(i) **REAL-TIME PRICING.**—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same real-time metering and communication service as a direct retail electric consumer of the electric utility.

“(j) **TIME-OF-USE METERING.**—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same time-of-use metering and communication service as a direct retail electric consumer of the electric utility.”.

SA 3003. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the De-

partment of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 50, strike line 10 and all that follows through page 54, line 10, and insert the following:

SEC. 245. NET METERING.

(a) **ADOPTION OF STANDARD.**—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is further amended by adding at the end the following:

“(13) **NET METERING.**—(A) Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

(b) **SPECIAL RULES FOR NET METERING.**—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is further amended by adding at the end the following:

“(k) **NET METERING.**—

“(1) **RATES AND CHARGES.**—An electric utility—

“(A) shall charge the owner or operator of an on-site generating facility rates and charges that are identical to those that would be charged other electric consumers of the electric utility in the same rate class; and

“(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

“(2) **MEASUREMENT.**—An electric utility that sells electric energy to the owner or operator of an on-site generating facility shall measure the quantity of electric energy produced by the on-site facility and the quantity of electric energy consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

“(3) **ELECTRIC ENERGY SUPPLIED EXCEEDING ELECTRIC ENERGY GENERATED.**—If the quantity of electric energy sold by the electric utility to an on-site generating facility exceeds the quantity of electric energy supplied by the on-site generating facility to the electric utility during the billing period, the electric utility may bill the owner or operator for the net quantity of electric energy sold, in accordance with normal metering practices.

“(4) **ELECTRIC ENERGY GENERATED EXCEEDING ELECTRIC ENERGY SUPPLIED.**—If the quantity of electric energy supplied by the on-site generating facility to the electric utility exceeds the quantity of electric energy sold by the electric utility to the on-site generating facility during the billing period—

“(A) the electric utility may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with paragraph (2); and

“(B) the owner or operator of the on-site generating facility shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

“(5) **SAFETY AND PERFORMANCE STANDARDS.**—An eligible on-site generating facility

and net metering system used by an electric consumer shall meet all applicable safety, performance, reliability, and interconnection standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

“(6) ADDITIONAL CONTROL AND TESTING REQUIREMENTS.—The Commission, after consultation with State regulatory authorities and nonregulated electric utilities and after notice and opportunity for comment, may adopt, by rule, additional control and testing requirements for on-site generating facilities and net metering systems that the Commission determines are necessary to protect public safety and system reliability.

“(7) DEFINITIONS.—For purposes of this subsection:

“(1) The term ‘eligible on-site generating facility’ means—

“(A) a facility on the site of a residential electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

“(B) a facility on the site of a commercial electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

“(2) The term ‘renewable energy resource’ means solar, wind, biomass, or geothermal energy.

“(3) The term ‘high efficiency system’ means fuel cells or combined heat and power.

“(4) The term ‘net metering service’ means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.”.

SA 3004. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 58, strike line 16 and all that follows through line 23 and insert the following:

SEC. 256. STATE AUTHORITY.

Nothing in this subtitle shall be construed to preclude a State or State regulatory authority from prescribing and enforcing laws, rules, or procedures regarding the practices which are the subject of this section.

SA 3005. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 64, strike line 8 and all that follows through page 65, line 17, and insert the following:

SEC. 263. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—the President shall seek to ensure that, to the extent economically feasible and technically practicable, of the

total amount of electric energy the federal government consumes during any fiscal year—

(1) not less than 3 percent in fiscal years 2003 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—shall be renewable energy. The President shall encourage the use of innovative purchasing practices by federal agencies.

(2) DEFINITION.—For purposes of this section, the term “renewable energy” means electric energy generated from solar, wind, biomass, geothermal, fuel cells, municipal solid waste, or additional hydroelectric generation capacity achieved from increased efficiency or additions of new capacity.

(c) TRIBAL POWER GENERATION.—The President shall seek to ensure that, to the extent economically feasible and technically practicable, not less than one-tenth of the amount specified in subsection (a) shall be renewable energy that is generated by an Indian tribe or by a corporation, partnership, or business association which is wholly or majority owned, directly or indirectly, by an Indian tribe. For purposes of this subsection, the term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) BIENNIAL REPORT.—In 2004 and every 2 years thereafter, the Secretary of Energy shall report to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress of the federal government in meeting the goals established by this section.

SA 3006. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 2, strike the items relating to sections 205 through 210 and insert the following:

Sec. 205. Open access transmission by certain utilities.

Sec. 206. Electric reliability standards.

Sec. 207. Market transparency rules.

Sec. 208. Access to transmission by intermittent generators.

Sec. 209. Enforcement.

SA 3007. Mr. CAMPBELL (for himself, Mr. BROWNBACK, Mr. GRAMM, Mr. ENZI, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike section 822.

SA 3008. Mr. DAYTON (for himself and Mr. GRASSLEY) submitted an

amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title VIII, add the following:

SEC. 8. FEDERAL AGENCY ETHANOL-BLENDED GASOLINE AND BIODIESEL PURCHASING REQUIREMENT.

Title III of the Energy Policy Act of 1992 is amended by striking section 306 (42 U.S.C. 13215) and inserting the following:

“SEC. 306. FEDERAL AGENCY ETHANOL-BLENDED GASOLINE AND BIODIESEL PURCHASING REQUIREMENT.

“(a) ETHANOL-BLENDED GASOLINE.—The head of each Federal agency shall ensure that, in areas in which ethanol-blended gasoline is available, the Federal agency purchases ethanol-blended gasoline containing at least 10 percent ethanol (or the highest available percentage of ethanol), rather than nonethanol-blended gasoline, for use in vehicles used by the agency.

“(b) BIODIESEL.—

“(1) DEFINITION OF BIODIESEL.—In this subsection, the term ‘biodiesel’ has the meaning given the term in section 312(f).

“(2) REQUIREMENT.—The head of each Federal agency shall ensure that the Federal agency purchases, for use in fueling fleet vehicles used by the Federal agency at the location at which fleet vehicles of the Federal agency are centrally fueled—

“(A) as of the date that is 5 years after the date of enactment of this paragraph, biodiesel-blended diesel fuel that contains at least 2 percent biodiesel, rather than nonbiodiesel-blended diesel fuel; and

“(B) as of the date that is 10 years after the date of enactment of this paragraph, biodiesel-blended diesel fuel that contains at least 20 percent biodiesel, rather than nonbiodiesel-blended diesel fuel.”.

SA 3009. Mr. DOMENICI proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 123, after line 17, insert the following:

SEC. 514. OFFICE OF SPENT NUCLEAR FUEL RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) before the Federal Government takes any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel in the repository should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements; and

(2) national policy on spent nuclear fuel may evolve with time as improved technologies for spent fuel are developed or as national energy needs evolve.

(b) DEFINITIONS.—In this section:

(1) Associate Director.—The term “Associate Director” means the Associate Director of that Office.

(2) OFFICE.—The term “Office” means the Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(c) **ESTABLISHMENT.**—There is established an Office of Spent Nuclear Fuel Research within the Office of Nuclear Science and Technology of the Department of Energy.

(d) **HEAD OF OFFICE.**—The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(e) **DUTIES OF THE ASSOCIATE DIRECTOR.**—

(1) **IN GENERAL.**—The Associate Director shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary.

(2) **PARTICIPATION.**—The Associate Director shall coordinate the participation of national laboratories, universities, the commercial nuclear industry, and other organizations in the investigation of technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste.

(3) **ACTIVITIES.**—The Associate Director shall—

(A) develop a research plan to provide recommendations by 2015;

(B) identify promising technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(C) conduct research and development activities for promising technologies;

(D) ensure that all activities include as key objectives minimization of proliferation concerns and risk to the health of the general public or site workers, as well as development of cost-effective technologies;

(E) require research on both reactor- and accelerator-based transmission systems;

(F) require research on advanced processing and separations;

(G) include participation of international collaborators in research efforts, and provide funding to a collaborator that brings unique capabilities not available in the United States if the country in which the collaborator is located is unable to provide for their support; and

(H) ensure that research efforts are coordinated with research on advanced fuel cycles and reactors conducted by the Office of Nuclear Energy Science and Technology.

(f) **GRANT AND CONTRACT AUTHORITY.**—The Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in this section.

(g) **REPORT.**—The Associate Director shall annually submit to Congress a report on the activities and expenditures of the Office that describes the progress being made in achieving the objectives of this section.

SA 3010. Mr. BINGAMAN (for Ms. LANDRIEU) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 405, strike line 16 and all that follows through line 23, and insert the following:

(6) **BIOFUELS.**—The goal of the biofuels program shall be to develop, in partnership with industry—

(A) advanced biochemical and thermochemical conversion technologies ca-

pable of making liquid and gaseous fuels from cellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel cell vehicles by 2010; and

(B) advanced biotechnology processes capable of making biofuels, biobased polymers, and chemicals, with particular emphasis on the development of biorefineries that use enzyme based processing systems.

For purposes of this paragraph, the term “cellulosic feedstock” means any portion of a food crop not normally used in food production or any non-food crop grown for the purpose of producing biomass feedstock.

SA 3011. Mr. BINGAMAN (for Ms. LANDRIEU) (for himself and Mr. DOMENICI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 443, strike lines 21 through page 444, line 2 and insert the following:

(2) examine—

(A) advanced proliferation-resistant and passively safe reactor designs;

(B) new reactor designs with higher efficiency, lower cost, and improved safety;

(C) in coordination with activities carried out under the amendments made by section 1223, designs for a high temperature reactor capable of producing large-scale quantities of hydrogen using thermo-chemical processes;

(D) proliferation-resistant and high-burn-up nuclear fuels;

(E) minimization of generation of radioactive materials;

(F) improved nuclear waste management technologies; and

(G) improved instrumentation science;

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the committee on armed services be authorized to meet during the session of the senate on Wednesday, March 13, 2002, at 9:30 A.M., in open session to receive testimony on the Defense Health Program in Review of the Defense Authorization request for Fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 10 A.M., to conduct an oversight hearing on “Transit in the 21st Century: Successes and Challenges.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on the

nominations of Robert Watson Cobb to be Inspector General and MG Charles Bolden, Jr., to be Deputy Administrator of NASA, at 2:30 P.M., on March 13, 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, March 13, 2002, at 9:30 a.m., to hold a hearing to receive testimony on the economic and environmental risks associated with increasing greenhouse gas emissions. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 5 p.m., to hold a nomination hearing.

Agenda

Nominee: The Honorable Robert Finn, of New York, to be Ambassador to Afghanistan.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, March 13, 2002, at 9:30 a.m., to hold a hearing entitled “Public Health and Natural Resources: A Review of the Implementation of Our Environmental Laws, Part II.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 2:30 p.m., in open session to receive testimony on ballistic missile defense acquisition policy and oversight, in review of the Defense authorization request for fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM AND GOVERNMENT INFORMATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on “Narco-Terror: The Worldwide Connection Between Drugs and Terrorism” on Wednesday, March 13, 2002, at 10 a.m., in Dirksen 226.

Witness List

Panel I: Asa Hutchinson, Administrator, Drug Enforcement Administration; R. Rand Beers, Assistant Secretary, Bureau for International Narcotics and Law Enforcement Affairs,